



**U.S. Department of Justice**

**Stephen J. Murphy  
United States Attorney  
Eastern District of Michigan**

*Suite 2001  
211 West Fort Street  
Detroit, Michigan 48226-3277  
Fax: (313) 226-3561*

**For Immediate Release:**

**Contact:** Shannon Bass (313) 226-9530  
Stephen Moore (313) 234-2410

March 10, 2005

---

**Event: Sentencing**

**Defendant: Tracy Carmichael, 41, of Detroit**

**Date: March 10, 2005**

---

Tracy Carmichael, age 41, of Detroit, was sentenced today by United States District Denise Page Hood to serve six months in the custody of the Bureau of Prisons to be followed by six months of home confinement and two years on supervised release, and to pay restitution of \$86,390 to the U.S. Internal Revenue Service as a result of his conviction on 17 counts of Aiding and Assisting in the Preparation and Presentation of False and Fraudulent Income Tax Returns, announced U.S. Attorney Stephen J. Murphy.

Mr. Carmichael was found guilty of all 17 counts by a federal jury sitting in Detroit on June 22, 2004 after approximately four hours of deliberations which concluded a week-long trial before Judge Hood.

Mr. Murphy stated that, "The evidence presented at trial proved that Mr. Carmichael, working as an income-tax preparer in Detroit and Southfield, aided and assisted 11 taxpayers in the preparation and presentation of 17 individual income tax returns which were false as to material matters, from February 3, 2000 through February 5, 2001. The evidence established that these tax returns contained false information concerning business losses, itemized deductions and rental real estate losses. In many cases, Mr. Carmichael advised his clients to claim business losses even though they operated no businesses at all. In others, Mr. Carmichael prepared tax returns containing substantially inflated employee business deductions, charitable contributions and rental real estate expenses.

Mr. Murphy commended the Internal Revenue Service, Criminal Investigation Division,

whose investigation led to the successful prosecution of Mr. Carmichael.